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**TO: Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers**

**FROM: Amy Mendel-Clemens
Communications Section
Bureau of Health Care Eligibility
Division of Health Care Financing**

BHCE/BWP OPERATIONS MEMO

No: 04- 60 Corrected

DATE: 12/08/2004

FS	<input checked="" type="checkbox"/>	MA	<input checked="" type="checkbox"/>	SC	<input type="checkbox"/>
CTS	<input type="checkbox"/>	CC	<input checked="" type="checkbox"/>	W-2	<input checked="" type="checkbox"/>
FSET	<input type="checkbox"/>	EA	<input type="checkbox"/>	CF	<input type="checkbox"/>
JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>	RAP	<input type="checkbox"/>
WIA	<input type="checkbox"/>	WtW	<input type="checkbox"/>		
Other	EP	<input type="checkbox"/>	★		

PRIORITY: HIGH

SUBJECT: 2005 Cost of Living Adjustment (COLA)

CROSS REFERENCE: Medicaid Eligibility Handbook (MEH)

EFFECTIVE DATE: January 1, 2005

BACKGROUND

The Cost of Living Adjustment (COLA) for 2005 is 2.7% for the SSA Old Age Survivors and Disability Insurance (OASDI or Title II).

CARES eligibility re-determinations will occur as part of the annual COLA mass change on the weekend of December 4, 2004. The Medicaid (MA) changes will be included in the 05-01 MEH release. The federal COLA increase will result in changes in CARES to the Medicaid (MA) income levels, allowances and deductions outlined in this memo.

The SS COLA will update Social Security amounts. We will still do our monthly SS auto-update on the second Saturday of the month. Remember, since SSA doesn't create a SS mid-month file, there is only one SS auto-update in December.

NOTE > SSI amounts will not be updated in CARES through the COLA mass change. SSI amounts will continue to be auto-updated on a weekly basis. The increase in federal SSI payments will appear as an auto-update after adverse action in December 2004 and will impact February 2005 benefits. The regular SSI auto-update alerts will be generated when these amounts change.

There will not be a COLA increase in State SSI Supplement or SSI-E payment amounts, however these amounts may be changed in the auto-update process for other reasons.

CARES

MASS CHANGE

Data updates are made based upon information received from the Social Security Administration (SSA) related to COLA increases to social security benefits (i.e., disability, survivor, and retirement). The Medicare Part B premium amount is also updated based upon the yearly amount set in federal law. For calendar year 2005, the federal benefit COLA increase is 2.7% of the current benefit.

The Mass Change will update specific fields on CARES screens AFUI and AFMD:

- Social Security Benefit
- 503 COLA Disregard
- QMB/SLMB "current" Disregard
- SSA claim number
- Social Security Payment Subtype
- All Fields - AFMD

For each person in a W-2, Child Care, Medicaid, BadgerCare, Family Care Assistance Group (AG), or FoodShare (FS) AG that is open or has been closed less than 30 days, CARES will update the SSA benefit amount on AFUI with an effective date of 01/05. SeniorCare only cases will not be updated automatically because it uses an annual budgeting technique.

When applicable, AFMD will be updated with the increased Medicare Part B premium amount. The premium payor will be updated on AFMD if SSA data differs from that in CARES.

In previous years when CARES was not able to update information during the Mass Change, an exception was created, recorded on an EOS report and worker action was necessary to resolve the issue. The new SS Auto-update functionality effective October 2004 now allows many of these situations to update automatically thus reducing workload for local agencies. The following situations will now automatically update during the Mass Change:

- When there is information in the SSA COLA file but CARES has SS income that is dated in the future (01/05 or later).
- Cases that have multiple SS income types in CARES.
- Cases that have an SSA amount on the federal COLA file that is less than the amount on CARES screen AFUI.

- Cases that an ES worker overrides in CARES (through screen AGOE or AIOE). However, alert #349 will still be set and worker action is necessary.

INDIVIDUAL RECORDS THAT WILL **Not** UPDATE AUTOMATICALLY

When CARES shows current information for either federal SSI or SS and there is no information on the federal COLA file, an update of the information in CARES will not occur automatically. These situations will be monitored by the State. Research will be conducted the week following the Mass Change and the State will try to automatically update these cases. If the State is unable to update these and worker action is needed, a report will be produced and sent to local agencies.

Included in this report will be cases where CARES shows that the individual is entitled to Medicare part B, but the individual is not included on the federal COLA file. The following alert will be generated and sent to the primary worker when the update did not occur:

369 SS INFO UPD AND DISCREP EXISTS

The auto-update process adds together the net SS income of all SS income types on AFUI, plus any Medicare premium on AFMD, plus any SS recoupments, to see if it matches the gross SSA income on the BENDEX file. These three amounts are also shown on DXSA. If that total does not match, there could be a discrepancy (possible garnishments being taken from SS income for child support, back taxes, etc). If a mismatch is found, this process will update AFUI and set this alert for the worker. The worker must follow up with SSA to determine the reason for the discrepancy. Currently, the BENDEX file does not show what the garnishments are, only the recoupment amount being deducted to repay SS.

When the COLA record includes Railroad Retirement information, the follow new alerts will be sent to the worker and alternate worker for the case:

379 SSA INDICATES RAILROAD BENEFIT

This alert will be generated to the primary worker whenever the record from SSA indicates that the individual is receiving Railroad Benefits.

380 SSA INDICATES RR BENEFIT

This alert will be generated to the alternate worker whenever the record from SSA indicates that the individual is receiving Railroad Benefits.

REPORTS

CARES data will now match SSA data more accurately since we are automatically updating SSA records on a monthly basis. We anticipate the number of exceptions generated during the mass change to be greatly reduced. For the exceptions that do result, we have identified a number of reports that local agencies can use to resolve these exceptions.

Reports that require worker action

EOS/CARES Report ID		Report Title
C306	CMC190RA	MASS CHANGE EXCEPTION LISTING This report is produced at any Mass Change and lists AGs that did not run through eligibility. Cases on this report must be reviewed by local agencies and the issues resolved.
Non EOS Report		State Generated Exception Summary — This report will be sent to local agencies following the COLA update listing cases that did not automatically update. Worker action is required

Informational Reports

EOS/CARES Report ID		Report Title
C300	CMC180RA	AGS AFFECTED BY MASS CHANGE This is a list of cases with an assistance group that increased or decreased as a result of the mass change. If one Assistance group in the case changed, all assistance groups are listed.
C301	CMC180RB	MASS CHANGE SUMMARY BY AGENCY This report shows the number of AGs by agency that opened, closed, increased and decreased. It also shows dollar amounts when applicable.
C302	CMC180RC	MASS CHANGE SUMMARY STATEWIDE This report shows the number of AGs statewide that opened, closed, increased and decreased. It also shows dollar amounts when applicable.
Non EOS Report		Cases with Increased Benefits – This report lists cases that had a benefit increase. This COULD indicate that the individual is receiving less SS and the worker MAY want to investigate.
Non EOS Report		Cases Closed for unearned income – This report lists AGs that closed.

NOTE ➤ EOS reports #308, 309 and 310 will no longer be created.

CARES TABLES

Reference table updates have been made to four tables that are used in determining MA eligibility. An effective date of January 1, 2005 has been used for CARES tables TMEP, TASP, and TSCA. TCDP changes have already been done through 2005. These changes are required because of changes in the federal portion of the SSI payment level upon which the MA income limits are based or because of a change in the Consumer Price Index (CPI).

NOTE ➤ Changes to TMST will not be needed this year because the AFDC-related and the SSI-related medically needy limits are capped at \$591.67 for group sizes of 1 and 2.

CARES Table	Data Updated
TMEP	<ul style="list-style-type: none"> SSI related income and shelter limit changes in Community Waiver income limits and personal maintenance allowances Medicare Part B premium amount Spousal impoverishment maximum income allocation
TASP	<ul style="list-style-type: none"> Spousal impoverishment asset limit
TCDP	<ul style="list-style-type: none"> Dates controlling the time between the COLA mass change and the Federal Poverty Level mass change
TSCA	<ul style="list-style-type: none"> SSA COLA percentage

NEW PROGRAM AMOUNTS FOR 2005**INSTITUTIONS CATEGORICALLY NEEDY INCOME LIMIT**Cross Reference: MEH, Chapter 5.8.5, 8.1.5

Effective Date: 01/01/05

CARES: This change is part of the 12/4/04 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Categorically needy income limit for person in a medical institution.	\$ 1,737.00	\$ 1,692.00

ELDERLY, BLIND, DISABLED (EBD) INCOME & ASSET CHANGESCross Reference: MEH, Chapter 8.1.5

Effective Date: 01/01/05

CARES: These changes are part of the 12/4/04 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Categorically Needy Income Size 1	\$ 469.78 + Actual Shelter up to \$ 193.00	\$ 459.78 + Actual Shelter up to \$ 188.00
Size 2	\$ 711.38 + Actual Shelter up to \$ 289.67	\$ 696.05 + Actual Shelter up to \$ 282.00
Medically Needy Income Size 1 Size 2	No Change No Change	\$ 591.67 \$ 591.67
Categorically Needy Assets Size 1 Size 2	No Change No Change	\$ 2,000.00 \$ 3,000.00
Medically Needy Assets Size 1 Size 2	No Change No Change	\$ 2,000.00 \$ 3,000.00

EBD DEEMING AMOUNT TO AN INELIGIBLE MINOR

Cross Reference: MEH, Chapter 1.1.3.1.2 & 8.1.5.1
 Effective Date: 01/01/05
 CARES: This change is part of the 12/4/04 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
EBD Deeming Amount to an Ineligible Minor	\$ 289.50	\$ 282.00

PARENTAL LIVING ALLOWANCE

Cross Reference: MEH, Chapter 1.1.3.1.2 & 8.1.5.1
 Effective Date: 01/01/05
 CARES: This change is part of the 12/4/04 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Parental Living Allowance – 1 Parent	\$ 579.00	\$ 564.00
2 Parents	\$ 869.00	\$ 846.00

SPOUSAL IMPOVERISHMENT INCOME ALLOCATION & ASSET SHARE

Cross Reference: MEH, Chapter 5.10.4.2 & 5.10.6.
 Effective Date: 01/01/05
 CARES: This change is part of the 12/4/04 CARES mass change.

INCOME

ITEM	NEW AMOUNT	OLD AMOUNT
Community Spouse Asset Share (CSAS) maximum	\$ 95,100.00	\$ 92,760.00
Income allocation	\$ 2,377.50	\$ 2,319.00

ASSETS

<u>IF</u> the total countable assets of the couple are:	<u>THEN</u> the CSAS* is:	MA Eligibility Limit
\$190,200 or more	\$95,100	\$97,100
Less than \$190,200 but greater than \$100,000	½ of the total countable assets of the couple	½ + \$2,000
\$100,000 or less	\$50,000	\$52,000

*CSAS is the "Community Spouse Asset Share".

Income Allocation & Allowance

NOTE ➤ All dollar amounts are monthly amounts

Community Spouse Allocation	The maximum allocation is the <u>lesser</u> of: \$2,377.50, or \$2,081.67 plus excess shelter allowance. "Excess shelter allowance" means shelter expenses above \$624.50. Shelter expenses are mortgage, rent, taxes, maintenance fees, and a utility allowance.
Dependent Family Member Allocation	\$520.42 per dependent family member living with the community spouse. (This amount does not change with the COLA increases but rather with the Federal Poverty Level changes that occur in the spring of each year.)
Personal Needs Allowance	\$45 for institutionalized individuals.
Community Waivers Allowance	\$759 to \$1,737 for a person in community waivers

Spousal Impoverishment Brochure

Workers can access the Spousal Impoverishment Fact Sheet on the Internet at:

www.dhfs.state.wi.us/Medicaid1/recpubs/factsheets/phc10063.htm

MEDICARE PART B PREMIUM AMOUNT

Cross Reference: None.
Effective Date: 01/01/05
CARES: This change is part of the 12/04/04 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Base Monthly Premium Amount	\$ 78.20	\$ 66.60

The actual amount paid by the person is listed on the BENDEX file.

For each individual where the Medicare Part B Premium Amount or the Medicare Part B Premium Payor is updated, the HIC number on AFMD will also be updated if the COLA file is different than the CARES information. The HIC number will not be updated if CARES has railroad retirement or black lung fund indicated on screen AFMD.

SSI-E PAYMENT LEVEL

Cross Reference: MEH, Chapter 5.11.1.1, 5.11.2.2, 8.1.5.
Effective Date: No change.
CARES: Not applicable.

ITEM	NEW AMOUNT	OLD AMOUNT
State SSI-E Supplement	No change	\$ 95.99

COMMUNITY WAIVERS BASIC NEEDS ALLOWANCE

Cross Reference: MEH, Chapter 5.9.9.2.1, 8.1.5.1.
 Effective Date: 01/01/05
 CARES: This change is part of the 12/4/04 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Basic Needs Allowance	\$ 759.00	\$ 744.00
EBD Maximum Personal Maintenance Allowance	\$ 1,737.00	\$ 1,692.00

COMMUNITY WAIVERS SPECIAL INCOME LIMIT (GROUP B)

Cross Reference: MEH, Chapter 5.9.9.2, 8.1.5.
 Effective Date: 01/01/05
 CARES: This change is part of the 12/4/04 CARES mass change.

ITEM	NEW AMOUNT	OLD AMOUNT
Single person or spouse not applying.	\$ 1,737.00	\$ 1,692.00

AFDC-RELATED INCOME CHANGES

Cross Reference: MEH, Chapter 8.1.4
 Effective Date: Not applicable.
 CARES: Not applicable.

ITEM	NEW AMOUNT	OLD AMOUNT
Income:		
1. Categorically needy.	No Change	See <u>MEH</u> .
2. Medically needy.	No Change	Size 1 = \$ 591.67

MEDICAID PURCHASE PLAN (MAPP) STANDARD LIVING ALLOWANCE

Cross Reference: MEH, Chapter 5.12.5.1 and 8.1.5.1
 Effective Date: 01/01/05
 CARES: Not applicable

ITEM	NEW AMOUNT	OLD AMOUNT
MAPP Standard Living Allowance, SLA	\$ 682.00	\$ 667.00

TUBERCULOSIS BENEFIT INCOME LIMIT

Cross Reference: MEH, Chapter 5.11.7.2
Effective Date: 01/01/05
CARES: Not applicable.

ITEM	NEW AMOUNT	OLD AMOUNT
Income limit for one person.	\$ 1,243.00	\$ 1,213.00

CONTACTS

BHCE CARES Information & Problem Resolution Center

★Program Categories – FS – FoodShare, MA – Medicaid, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – Food Stamp Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WtW – Welfare to Work, WIA – Workforce Investment Act, Other EP – Other Employment Programs.